

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
-----)	

**STIPULATION AND ORDER GRANTING SHELBY COUNTY
RELIEF FROM THE AUTOMATIC STAY**

This stipulation and order (the “Stipulation and Order”) is made and entered into between The ResCap Liquidating Trust (the “Trust”) established pursuant to the terms of the Plan (as defined below) in the above-captioned bankruptcy cases (the “Chapter 11 Cases”), and Shelby County, Tennessee (“Shelby County”), and together with the Trust, the “Parties”), each through their respective counsel, to provide Shelby County with relief from the automatic stay necessary to effectuate the agreed treatment to be accorded to the Proofs of Claim (defined herein).

WHEREAS, on May 14, 2012 (the “Petition Date”), each of the debtors in the Chapter 11 Cases (collectively, the “Debtors”) filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Court”); and

WHEREAS, on the Petition Date, the Court entered an order jointly administering the Chapter 11 Cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure; and

WHEREAS, on May 16, 2012, the Court entered an order [Docket No. 96] appointing Kurtzman Carson Consultants LLC (“KCC”) as the notice and claims agent in the

Chapter 11 Cases. Among other things, KCC is authorized to maintain an official claims register for the Debtors (the “Claims Register”); and

WHEREAS, on or about November 16, 2012, City of Memphis filed proofs of claims designated by KCC on the Claims Register as Claim Nos. 4887 and 4890 (together, the “Proofs of Claim”), which asserted a secured claim against (i) Debtor Homecomings Financial, LLC in the amount of \$8,286.26 and (ii) Debtor Residential Funding Company, LLC¹ in the amount of \$3,215.23; and

WHEREAS, on December 11, 2013, the Court entered the *Order Confirming Second Amended Joint Chapter 11 Plan Proposed by Residential Capital, LLC et al. and the Official Committee of Unsecured Creditors* approving the terms of the Chapter 11 plan, as amended (the “Plan”), in the Chapter 11 Cases [Docket No. 6065]. On December 17, 2013, the effective date of the Plan occurred and, among other things, the Trust was established [Docket No. 6137]; and

WHEREAS, on or about May 11, 2015, the Court entered the *Stipulation And Order (A) Resolving Proofs Of Claim Numbers 4887 & 4890 Filed By City Of Memphis; And (B) Modifying The Automatic Stay* [D.E. 8595], which allowed the asserted secured claims against (i) Debtor Homecomings Financial, LLC in the amount of \$8,286.26 and (ii) Debtor Residential Funding Company, LLC in the amount of \$3,215.23; and

WHEREAS, pursuant to Tenn. Code Ann. § 67-5-2401, et seq., the procedure for enforcement of liens for unpaid ad valorem real property taxes assessed against real property in Tennessee requires filing suit by local governmental entities in Tennessee Circuit or Chancery Court, and pursuant to Tenn. Code Ann. § 67-5-2501, if the subject ad valorem real property

¹ Residential Funding Corporation converted to a Delaware limited liability company on or about October 6, 2006, thereby being renamed Residential Funding Company, LLC.

taxes remain unpaid, the Tennessee Circuit or Chancery Court in which such suit has been filed shall order a sale of the subject real property; and

WHEREAS, the Trust determined that entering into this Stipulation and Order is in the best interests of the Trust, the Trust's constituents, the Debtors, and other parties in interest.

NOW, THEREFORE, in consideration of the foregoing, the Parties hereby stipulate and agree as follows:

1. The Recitals form an integral part of this Stipulation and Order and are incorporated fully herein.

2. The automatic stay under section 362(a) of Bankruptcy Code is hereby modified solely to the extent necessary to permit Shelby County to enforce the liens for the ad valorem real property taxes assessed against the tax-defaulted properties listed on Exhibit A by proceeding in rem against such real property parcels. Such ability to proceed in rem against the subject real property parcels includes the ability to include and serve Debtor Homecomings Financial, LLC and Debtor Residential Funding Company, LLC as defendants in the lawsuits filed in rem by Shelby County or by Shelby County's designee to enforce the liens for ad valorem real estate taxes owed in connection with the subject real property parcels.

3. The Parties represent and warrant that each has full power and authority to enter into and perform under this Stipulation and Order.

4. This Stipulation and Order constitutes the entire agreement and understanding between the Parties with regard to the matters addressed herein, and supersedes all prior and contemporaneous discussions, negotiations, understandings and agreements, whether oral or written, express or implied, between and among the Parties hereto regarding the subject

matter of this Stipulation and Order.

5. This Stipulation and Order may be executed in any number of counterparts by the Parties, all of which taken together shall constitute one and the same agreement. Any of the Parties may execute this Stipulation and Order by signing any such counterpart, and each such counterpart, including a facsimile or other electronic copy of a signature, shall for all purposes be deemed to be an original.

6. This Stipulation and Order shall be binding on the Parties (as well as any successor in interest) upon execution, and may not be altered, modified, changed or vacated without the prior written consent of the Parties or their respective counsel, as applicable.

7. The Parties hereby are authorized to take any and all actions reasonably necessary to effectuate the relief granted pursuant to this Stipulation and Order.

8. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and/or enforcement of this Stipulation and Order.

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IN WITNESS WHEREOF, and in agreement herewith, the Parties have executed and delivered this Stipulation and Order as of the date set out below.

Dated: June 2, 2015

/s/ Jordan A. Wishnew
Norman S. Rosenbaum
Jordan A. Wishnew
MORRISON & FOERSTER LLP
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New York, New York 10019
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Counsel for The ResCap Liquidating Trust

Dated: June 2, 2015

/s/ Elijah Noel, Jr.
Elijah Noel, Jr.
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157 Poplar Ave. – 2nd Floor
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Telephone: (901) 525-1455
Facsimile: (901) 526-4084

Counsel for City of Memphis

IT IS SO ORDERED.

Dated: June 9, 2015
New York, New York

/s/Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge

Exhibit A

Address	City	State	Zip	ASSESSMENT/ APN
464 Buntyn St.	Memphis	TN	38111	045021 00055
617 Moccasin Dr.	Memphis	TN	38109	075087 A00053
433 Blanch Rd.	Memphis	TN	38109	074150 00090